§ 3135.5

(b) Any other date BLM specifies in the decision document.

[67 FR 17886, Apr. 11, 2002]

§ 3135.5 When should I stop paying rental or royalty after BLM requires or approves a suspension of operations and production?

You should stop paying rental or royalty on the first day of the month that the suspension is effective. However, if there is any production sold or removed during that month, you must pay royalty on that production.

[67 FR 17886, Apr. 11, 2002]

§ 3135.6 When will my suspension terminate?

- (a) Your suspension terminates—
- (1) On the first day of the month in which you begin to operate or produce on your lease with BLM approval; or
- (2) The date BLM specifies in a written notice to you.
- (b) You must notify BLM at least 24 hours before you begin operations or production under paragraph (a)(1) of this section.

[67 FR 17886, Apr. 11, 2002]

§3135.7 What effect does a suspension of operations and production have on the term of my lease?

- (a) *Primary term.* If BLM grants a suspension of operations and production for your lease, the suspension stops the running of the primary term of your lease for the period of the suspension.
- (b) Extended term. If your lease is in its extended term, a suspension holds your lease in its extended term for the period of the suspension as if it were in production.

[67 FR 17886, Apr. 11, 2002]

§ 3135.8 If BLM requires a suspension or grants my request for a suspension of operations and production for my lease, when must I next pay advance annual rental, royalty, or minimum royalty?

(a) You are not required to submit your next rental or minimum royalty payment until the date the suspension terminates. Therefore, if your suspension begins in month 3 of lease year A and ends in month 2 of lease year B, you must submit your rental payment

for lease year B when your suspension ends. BLM will send a written notice to the lessee and operator stating that the suspension is terminated and the date your rental payment for lease year B is due to MMS. BLM's notice also will state when you must pay any minimum royalty due for lease year A. Your minimum royalty for lease year B will be due at the end of that year.

(b) If you remove or sell any production from the lease during the term of the suspension, you must pay royalty on that production.

[67 FR 17886, Apr. 11, 2002]

Subpart 3136—Relinquishments, Terminations and Cancellations of Leases

§3136.1 Relinquishment of leases or parts of leases.

A lease may be surrendered in whole or in part by the lessee by filing a written relinquishment, in triplicate, with the Alaska State Office of the Bureau. No filing fee is required. In the case of partial relinquishments, neither the relinguished lands nor the retained lands shall be less than a compact tract of not less than 640 acres. A relinquishment shall take effect on the date it is filed subject to the continued obligation of lessee and the surety to make all payments due, including any accrued rental, royalties and deferred bonuses and to abandon all wells, and condition or remove other facilities on the lands to be relinquished to the satisfaction of the authorized officer.

[46 FR 55497, Nov. 9, 1981, as amended at 53 FR 17359, May 16, 1988]

§3136.2 Terminations.

Any lease on which there is no well capable of producing oil or gas in paying quantities shall terminate if the lessee fails to pay the annual rental in full on or before the anniversary date of such lease and such failure continues for more than 30 days after the notice of delinquent rental has been delivered by registered or certified mail to the lease owner's record post office address.